



Edisun Power Europe Ltd.

Management Report 2025



Revenue from sale of electricity impacted by capricious weather



Impairment weighed on net results



Large-scale “Fuencarral to AI” solar plant sale process ongoing

Installed capacity

104.7 MW

– 0.8% YoY

Net result in Mio.

CHF –7.05

(2024: CHF 2.85)

Solar power production

152,352 MWh

– 5.2% YoY

Dividend

CHF 0.00¹

last year CHF 0.00

Revenue in Mio.

CHF 14.06

– 72.7% YoY

Capacity in Development

963 MW

– 3.3% YoY

¹ Proposal of the Board of Directors to the General Meeting on April 30, 2026

Strategy with focus on AI-driven power solutions for data centers

Dear Investor,

2025 presented Edisun Power Europe with a set of challenges that tested the resilience of our operating portfolio while, at the same time, confirmed the strategic direction we set out at the end of year 2024. Weather-related headwinds, unforeseen operational disruptions, and ongoing electricity price pressures during daytime weighed on our annual results. Yet the fundamentals of our business remain solid and our transformation towards a leading European “Renewables to AI” company with major focus in developing power solutions for data centers is gathering significant momentum.

The global data center market has entered a supercycle, with AI workloads expected to more than triple between 2025 and 2030 according to a study from McKinsey. The shift toward AI is the dominant force with hyperscale operators leading the way. With the impressive investments in data centers, getting access to the power is utmost critical. Here, our large-scale “Fuencarral to AI” project in the Madrid region, with a total solar plant capacity of 941 MWp and a data center size of 250 MW IT, is one of the largest renewables-plus-data-center projects currently under development in Europe. The auction process under the lead of ABN Amro is well advanced and we are expecting to announce a conclusion of the sales process in due time.

Considering the low yearly result of 2025 and the continued investments, the Board of Directors proposes to the Annual General Meeting that the dividend payment remains being suspended to be approved at the Annual General Meeting on April 30, 2026.

We would like to thank you for the trust you have placed in us.

Edisun Power Europe AG



A handwritten signature in black ink, appearing to read 'H. Mahmoudi'.

Horst H. Mahmoudi
Chairman of the Board and
Executive Chairman



A handwritten signature in black ink, appearing to read 'F. Micheletti'.

Fulvio Micheletti
Vice Chairman of the
Board of Directors



**Electricity demand
of data centers is
skyrocketing.
Renewables &
Storage solutions are
our answer to it.**

Horst H. Mahmoudi
Executive Chairman
of the Board of Directors

Powering the Algorithm: The Electricity Demand Opportunity

AI, data centers, and the renewable opportunity with particular focus on Iberia – Dr. René Cotting

Executive Summary

Artificial intelligence is the defining energy story of today. The proliferation of large language models, cloud computing, generative AI applications, and GPU-intensive workloads is creating an unprecedented surge in electricity demand — one that is reshaping investment landscapes for renewable energy developers, infrastructure funds, utilities, and sovereign wealth vehicles across Europe. Hereby, the Iberian Peninsula in particular stands at the center of one of the most significant investment opportunities of the decade. This report synthesizes the latest intelligence from the IEA Electricity 2026 report, Goldman Sachs Research reports of 2025/2026, McKinsey's Global Energy Perspective 2025, CBRE, JLL, and real-time market data to provide a rigorous analysis of electricity demand projections, strategic positioning, and actionable investment opportunities across the data center, artificial intelligence and renewable energy value chain. The report was created with the support of Claude.ai – and consumed therefore a sizeable amount of electricity apart from the human brain...

The Global and European context: AI and the Electricity Supercycle

The IEA's Electricity 2026 report — the most comprehensive annual assessment of global electricity systems — confirms that data centers have become a primary structural driver of power demand growth in advanced economies. After 15 years of stagnation in electricity demand across developed markets, demand is now accelerating again, with data centers contributing disproportionately to this resurgence.

IEA Electricity 2026 — Global Headline Findings

Global power demand from data centers is expected to be a major driver through 2030. Advanced economies accounted for almost 20% of global electricity demand growth in 2025, up from 17% in 2024 — and this share is projected to remain near 20% through 2030, driven primarily by data centers, EVs, and industrial electrification. In the United States alone, around half of all electricity demand growth through 2030 is expected to be driven by data centers. The EU forecast to see demand growing at approximately 2% per year through 2030.

Goldman Sachs Research provides the most widely cited private-sector quantification of data center power demand growth. Their analysis, updated through early 2026, projects that global power demand from data centers will surge between 165% and 175% by 2030 compared to 2023 levels — equivalent to adding another top-10 power-consuming nation to the global grid. Today, global data centers consume approximately 55 GW, with AI representing just 14% of that load, cloud computing 54%, and traditional enterprise workloads 32%. By 2027, Goldman Sachs projects AI's share will reach 27%, with total demand reaching 84 GW — a CAGR of 17% between 2025 and 2028.

Table 1: Global and European data center electricity demand projections

Metric	2023 Baseline	2030 Projection
Global DC Power Demand	~55 GW	~122–145 GW
AI Share of DC Load	14 %	~44–50 %
Europe DC Capacity (IT Load)	~10 GW	~35 GW
Europe DC Pipeline (announced)	—	~170 GW
EU Electricity Demand Growth p.a.	~0 %	~2 % CAGR
US Data Center Share of Power	4 %	~8 %
Europe DC Share of Power	2.7 %	~5 %

Sources: Goldman Sachs Research 2025/2026, IEA Electricity 2026, McKinsey Global Energy Perspective 2025

In Europe, IEA forecasts electricity demand to grow by approximately 300 TWh over the five-year period 2025–2030 — an average of ~2 % per year. This marks the most robust period of European demand growth since the 2000s.

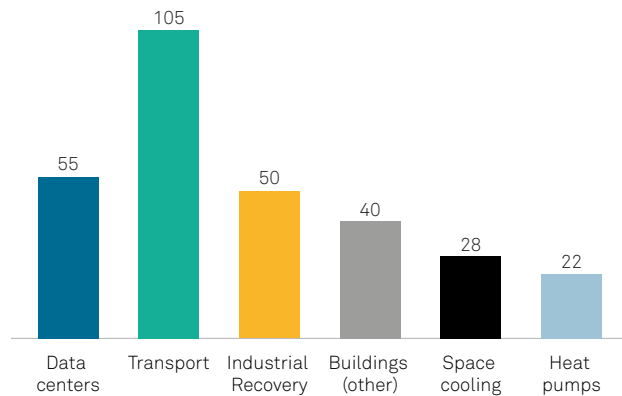
The IEA’s sectoral decomposition of EU demand growth reveals data centers as a significant — though not dominant — contributor alongside buildings, transport (EVs), and heat pumps. The transport sector is expected to be the main contributor to EU demand growth, with rising power use from data centers providing a sizeable share alongside cooling and heat pump demand. The growth of electricity use due to data centers will add about 55 TWh which is similar to the yearly electricity consumption of Switzerland. The transport sector will add more than 100 TWh to EU demand through 2030, driven by accelerating EV adoption.

Data centers are unique as their demand is immediate, large-scale, and geographically concentrated. Unlike diffuse residential or EV demand, a single hyperscale campus may require 200–500 MW of dedicated grid capacity — equivalent to a small city. This creates both acute grid stress and concentrated investment opportunity.

The high demand in Europe for data centers will grow its IT load from approximately 10 GW in 2023 to 35 GW in 2030. This will require renewables and storage power solutions to decarbonize and to secure grid stabilizations. A research report by McKinsey foresees more than USD 1 trillion in capital investment by 2030 (McKinsey 2025).

We can identify five investor archetypes who shall deploy the capital required to meet this demand: Builders (power and real estate developers and construction), Energizers (utilities and equipment manufacturers), Technology developers (chip and IT suppliers), Operators (hyperscalers and colocation providers), and AI Architects (foundation model providers). Edisun Power is part of the ‘builders’ archetype.

EU electricity demand growth by sector, 2025–2030 — estimated contributions (TWh)



Source: IEA, Electricity 2026 (February 2026). EU demand +300 TWh 2025–2030. Data centres and transport (EVs >100 TWh) are the two fastest-growing contributors; industrial recovery is assumed to be moderate (~50 TWh). “Buildings other” includes heat pumps, space cooling, and commercial sector growth.

The European Data Centre Geography: Where Capital Flows

Data center investment in Europe has historically concentrated in the FLAP cluster — Frankfurt, London, Amsterdam, and Paris. However, grid constraints, power pricing, and regulatory pressure in these markets have catalyzed a dramatic redistribution of investment flows towards Southern Europe, with Spain and Portugal

emerging as the fastest-growing markets. The combination of subsea cable access, renewable energy abundance, supportive government posture, large availability of land and lower grid congestion than Northern Europe makes the Iberian Peninsula particularly attractive. From this trend Edisun Power is well positioned to benefit from.

Table 2: European data centre market comparison by connectivity, energy, and regulatory environment

Market	2025 Status	2026–2030 Outlook
Ireland / Dublin	Moratorium on new DCs (EirGrid)	Constrained; 80% renewable sourcing required
Germany / Frankfurt	Grid delays >5 years; waste heat mandates	Constrained; high regulatory burden
UK / London	AI Growth Zones introduced 2025	Selective growth via government prioritisation
Netherlands / AMS	Grid congestion; moratoriums in zones	Limited; TDTR non-firm agreements
Spain / Madrid	Fastest-growing EU market (JLL)	High growth; 12 GW pipeline, 2–3 GW realistic
Portugal / Lisbon–Sines	Microsoft EUR 8.6bn Sines investment	Emerging Atlantic hub; high renewable mix
Nordics	Slower than forecast; moratoriums in Sweden	AI training niche; hydro-powered advantage

Sources: JLL EMEA Jan 2026, IEA Electricity 2026, Goldman Sachs Research 2026, Data Center Knowledge Jan 2026

The Iberian Peninsula: a strategic hub for AI infrastructure

Spain and Portugal are rapidly emerging as the pre-eminent Southern European — and increasingly global — hub for hyperscale data center deployment. The Iberian Peninsula combines four structural advantages that are extremely difficult to replicate elsewhere in Europe: abundant renewable energy, strategic transatlantic subsea cable connectivity, lower grid congestion than Northern Europe, and strong government support.

Spain: Scale, Speed, and the EUR 30bn+ Pipeline

Spain’s electricity landscape has been transformed over the past decade. By 2025, over 70% of Spain’s power generation came from renewable sources, with solar PV reaching 39.4 GW (plus 8.7 GW of self-consumption), and wind at 33.2 GW. The IEA’s Electricity 2026 report highlights that Spain’s electricity demand grew over 3% in 2025 — the highest rate in over a decade — driven by new industrial activity, electrification of heating and transport, rising tourism, and the beginnings of data center demand.

IEA Electricity 2026 — Spain Headline Projections

Spain’s electricity demand is projected to grow at an average annual rate of just under 2% between 2026 and 2030 — far above the 0.4% average recorded over the past decade. Renewable generation is forecasted to maintain a strong momentum, with average annual growth of over 8.5% during the outlook period. Solar PV is projected to expand at approximately 13.5% per year and wind at 8.5% per year between 2026 and 2030. The government has initiated a EUR 13.6 billion transmission network development plan for 2030.

The data center investment pipeline in Spain is extraordinary in scale. According to official Spanish government sources cited by Strategic Energy Europe (January 2026), 12 GW of grid capacity has already been granted to projects linked to digital infrastructure. Realistic deployment forecasts from industry players estimate 2–3 GW of actual installation by 2030, but the pipeline represents a live competition for grid access, renewable power contracts, and development permits worth more than EUR 30 billion in potential investment. The Spanish Ministry for Ecological Transition is finalizing a 2025–2030

Grid Development Plan allocating an additional 3.8 GW specifically for data centers.

The April 28, 2025 Iberian blackout drew significant international attention to grid resilience challenges. However, the IEA analysis contextualises this event as highlighting the importance of grid investment, renewable integration protocols, and interconnection with France — all of which are actively being addressed through Spain’s EUR 13.6 billion transmission plan and EU-level Grids Package initiatives. The blackout, paradoxically, has accelerated regulatory action rather than deterring investment.

Portugal: The Atlantic Gateway

Portugal is emerging as Europe’s premier Atlantic digital gateway, combining exceptional subsea cable connectivity with a rapidly growing renewable energy base and government support for digital infrastructure at scale. The country aims to exceed 80% renewable electricity by 2026, providing a green energy profile that aligns perfectly with hyperscaler sustainability mandates.

The Start Campus project at Sines represents a 1.2 GW target capacity — among the largest green energy-powered data center projects in Europe. The site’s unique combination of attributes — transatlantic cable landing point, renewable energy access, seawater cooling (avoiding freshwater constraints), and space for hyperscale campuses — makes it effectively irreplaceable within Europe. Sines connects to at least 12 terrestrial backbone routes into continental Europe, making it a natural hub for AI inference at European scale.

Portugal’s regulatory modernization is also accelerating. The country is preparing a national BESS (Battery Energy Storage System) auction backed by EUR 25 million in funding, and has introduced a ‘green map’ of pre-ap-

proved zones for renewable energy projects, dramatically reducing permitting timelines.

A critical but underappreciated competitive advantage of the Iberian Peninsula is its position as the landing point for the majority of transatlantic and Africa-to-Europe subsea cables. Sines alone serves as a landing hub for EllaLink (Brazil–Portugal), Equiano (Africa–Portugal), Medusa (Morocco–Portugal), and Nuvem, in addition to multiple intra-European routes. Bilbao and Barcelona provide Northern Atlantic and Mediterranean access. This connectivity infrastructure makes Iberia not merely a European data center market, but a global routing and compute hub — particularly for AI inference serving Latin America, Africa, and Southern Europe simultaneously.

The investment landscape: Opportunities across the value chain

The convergence of AI-driven demand, renewable energy abundance, and structural underinvestment in European grid infrastructure creates a multi-dimensional investment opportunity for the period 2025–2035. We can identify five primary opportunity vectors for investors and renewable developers.

Renewable Energy Generation — Solar PV and Wind

Spain and Portugal are structurally advantaged renewable energy production zones. Spain’s solar irradiance — among the highest in Europe — enables solar PV to deliver capacity factors of 22–24%, significantly above the European average. The IEA projects Spanish solar PV capacity to grow at 13.5% annually to 2030, and wind at 8.5% annually.

Table 3: Renewable energy investment opportunities in Iberia by segment

Renewable Segment	Key Dynamics	Investment Opportunity
Large-Scale Solar PV	13.5% p.a. growth projected to 2030 in Spain (IEA 2026)	Co-located solar+storage with DC power offtake
Onshore Wind	8.5% p.a. in Spain; robust resource across Aragón, Galicia	Long-term PPAs with hyperscalers; 10+ yr visibility
Pumped Hydro Storage	>20 plants in Spain; strategic role in integration	Optimization plays; arbitrage between curtailment & peak
BESS (Utility Scale)	Spain: EUR 700m IDAE scheme; Portugal: BESS auction	Standalone, co-located, and DC-adjacent storage

Sources: IEA Electricity 2026, RatedPower Nov 2025, Strategic Energy Europe Jan 2026

Energy Storage: The Critical Gap

Spain has set a national target of reaching 22.5 GW of storage by 2030. As of early 2026, installed utility-scale storage remains a fraction of this target, creating a substantial deployment gap. The Spanish government has reinforced its storage framework through a Royal Decree streamlining hybridisation and permitting, and a major call for new storage projects via the EUR 700 million IDAE support scheme targeting 2.5–3.5 GW of energy storage. Portugal's BESS auction (January 2026) signals parallel momentum.

Storage is particularly critical for data centers, whose 24/7 power demand profile creates a natural use case for battery systems that smooth renewable intermittency and provide grid frequency support. Data centers in Iberia are increasingly co-locating solar, wind, and BESS to provide behind-the-meter supply — reducing grid dependency and accelerating interconnection timelines. Hereby, the falling costs of BESS provides additional opportunities: Total BESS costs have fallen ~55% since 2019, with AC block prices dropping below USD 100/kWh in early 2026. According to a McKinsey Report (Feb 2026) BESS owners could realize additional gross margins of approximately EUR 40 per MWh from energy arbitrage by 2030, assuming a two-hour discharge. In high-volatility years, broader European markets could see margins even exceeding EUR 100,000 per MW per annum.

Grid Infrastructure and Transmission

The single most significant bottleneck to data center deployment in Iberia — and indeed across Europe — is grid connection timelines. The IEA Electricity 2026 report notes that more than 2,500 GW of projects globally remain stalled in connection queues, and that meeting forecasted electricity demand through 2030 would require annual grid investment to increase by roughly 50% by 2030 from today's USD 400 billion. In Spain, despite the 12 GW of grid capacity requests granted to digital infrastructure projects, industry players estimate only 2–3 GW of realistic deployment by 2030 — a gap driven by grid constraints and delays in the permitting process. Edisun Power's Fuencarral project with its 941 MWp solar plants linked to a data center would already cover almost 1 GW of that demand.

Spain's EUR 13.6 billion transmission network development plan through 2030 creates direct investment opportunity for infrastructure funds, grid technology companies, and utilities. Goldman Sachs Research estimates that Europe's power sector will require nearly EUR 800 billion in transmission and distribution spending over the coming decade, plus nearly EUR 850 billion in solar, onshore, and offshore wind investment.

Spain's National Commission for Markets and Competition (CNMC) has launched a public consultation on a drafted regulation for flexible electricity grid access and connection permits for consumers. Designed to alleviate widespread grid congestion, while substantially increasing the current grid's underutilization, this pioneering regulatory framework—expected to be finalized in H2 2026—will allow industrial consumers, like data centers, and storage facilities to connect under conditional terms.

Investment Urgency: Grid as Bottleneck

The IEA estimates that the lead time to plan and build new transmission grids is 5–15 years — far exceeding the 18–24 months development cycle for data centers. In Spain, the Ministry for Ecological Transition's new Royal Decree requiring data center operators to publicly report on energy efficiency, renewable mix, water usage, and carbon footprint creates both compliance pressure and a value premium for facilities that have secured clean, reliable power at scale.

Data Center Development and Real Estate

The data center sector is reorienting Spanish and Portuguese real estate markets. SOCIMIs (Spanish REITs), traditionally focused on offices and retail, are pivoting to data center development. Merlin Properties' EUR 2.4 billion commitment to develop 274 MW of capacity across Madrid, Bilbao, Barcelona, and Lisbon — in partnership with CoreWeave — is the most prominent example. CBRE's latest data center report estimates EUR 90+ billion at stake in the Iberian market over the next decade, with approximately 90% in Spain.

The colocation model — where operators rent rack space, power, and connectivity to multiple tenants — is dominant in Madrid and Barcelona, and is expanding to Lisbon, Sines, Zaragoza, and Bilbao. Investment in data center real estate offers long-term, inflation-linked cash flows underpinned by 10–20 year lease agreements with investment-grade hyperscaler tenants, with reported EBITDA margins of 35–50% at scale.

Corporate PPAs and Green Finance

Power Purchase Agreements represent the primary commercial bridge between renewable developers and data center operators. For renewable developers in Spain and Portugal, PPAs with hyperscalers offer 10–15 year contracts at fixed prices — providing the revenue certainty required for project financing while satisfying corporate buyers' 24/7 clean energy mandates. The symbiotic PPA model, linking renewable energy supply to the custom-

er’s AI technology stack (as in Iberdrola’s Microsoft Azure deal), is expected to become a competitive norm.

The EU taxonomy for sustainable finance and Spain’s NECP (National Energy and Climate Plan) create a regulatory tailwind for green-labelled data center infrastructure. Facilities powered by 100 % renewable energy, with strong water efficiency credentials and waste heat recovery, will qualify for preferential financing rates under EU Green Bond frameworks.

Risks, regulatory context, and strategic considerations for Edisun Power

Despite the compelling structural tailwinds, investors and developers must navigate a set of material risks:

- Grid connection timelines: The gap between pipeline scale (12 GW granted in Spain) and realistic deployment (2–3 GW by 2030) reflects severe grid connection bottlenecks. Projects without secured grid interconnection agreements face multi-year delays. Early site selection near planned grid upgrade zones is a critical competitive advantage (Freshfields, 2025).
- Speculative project inflation: The IEA estimates only ~20 % of data center grid connection requests actually materialize in the US; the dynamic is similar in Spain. Investors should apply rigorous diligence filtering speculative from viable projects.
- Iberian blackout post-analysis: The April 28, 2025 Iberian blackout highlighted grid stability risks asso-

ciated with high renewable penetration and insufficient inertia. Investments must incorporate grid resilience, storage co-location, and behind-the-meter supply strategies.

- Interconnection with France: Spain remains critically undersupplied with cross-border interconnection to France (currently ~3 GW). Progress on new interconnections is a strategic priority for system stability and market integration.
- Nuclear phase-out scenario: The scheduled closure of Almaraz I (2027), Almaraz II (2028), and Cofrentes/ Ascó I (2030) removes ~4 GW of baseload capacity. Although a final decision has not been taken (IEA 2026) and a reversal of the original decision might be probable, accelerated storage and grid investments to maintain system reliability is in any case required.
- Water scarcity: Climate change is increasing water stress in Iberia, creating operational risk for air-cooled data centers. Water-minimizing cooling technologies (e.g., Azora’s Zaragoza facility) and seawater cooling (Sines) are key differentiators.

The regulatory environment in Iberia is broadly supportive of data center and renewable investment, with several specific mechanisms creating competitive advantage:

Table 4: Key regulatory and policy mechanisms relevant to Iberian data centre and renewable investment

Policy / Mechanism	Jurisdiction	Investment Relevance
Grid Access Tender (3.7 GW prioritised by carbon reduction)	Spain	Filter for high-quality DC developers; competitive moat
EUR 13.6bn Transmission Development Plan to 2030	Spain	Grid infrastructure investment; long-duration visibility
Royal Decree: Storage hybridisation & permitting	Spain	BESS co-location acceleration; project finance bankability
22.5 GW storage target by 2030	Spain	Large procurement pipeline for storage developers
IDAE EUR 700m BESS support scheme	Spain	Subsidy layer for storage; reduces project equity requirement
NECP 2023–2030: 81 % renewable by 2030	Spain	Structural demand for new renewable capacity
National BESS auction + green map	Portugal	Pre-approved zones reduce permitting risk; accelerates deployment
EU Grids Package (2025)	EU-wide	Accelerated grid permitting; aligns with DC connection urgency
EU AI Act and Data Act	EU-wide	Sovereignty demand; European AI compute required for compliance

Sources: IEA Electricity 2026, Strategic Energy Europe Jan 2026, RatedPower Nov 2025

The development in the energy sector highlights that Edisun Power's strategy with its development partner Smartenergy is well funded:

- Focus on getting secured grid access, given Spain's oversubscribed grid connection queue, Edisun is well positioned
- Prioritize the development of a PPA-linked pipeline with investment-grade hyperscalers to offer power solutions for Data centers
- Co-locate BESS with solar and wind: Spain's curtailment rates and grid congestion — clearly evidenced in IEA data — mean that pure generation projects face revenue risk. BESS co-location transforms curtailed energy into revenue and qualifies projects for premium DC offtake contracts.
- Target Madrid as primary development hub: This region combine high renewable resource, available land, optimum optical fiber infrastructure and proximity to Spain largest AI services demand region of Madrid.
- Engage early with Sines ecosystem in Portugal to create new power solutions for the nascent data center ecosystem.
- Accelerate storage deployment: Spain's 22.5 GW storage target by 2030 requires approximately 3–4 GW per year of new installations — the current pipeline is well short of this.
- Utilities that proactively engage hyperscalers with connection offers — including renewable supply guarantees — will capture long-duration customers at premium tariffs.

Conclusion: the Iberian decade of digital electricity

The evidence assembled from latest research reports and market intelligence is unambiguous: the Iberian Peninsula is entering a decade of structurally elevated electricity demand growth, driven by AI data centers, renewable energy expansion, electrification, and green hydrogen — all underpinned by EUR 90+ billion in committed and pipeline investment.

Spain and Portugal offer a combination of structural advantages — renewable energy abundance, transatlantic connectivity, improving regulatory frameworks, and significantly lower grid congestion than Northern European markets — that places them at the top of the hyperscaler site selection hierarchy for Southern Europe.

For Edisun Power and its potential investors, the window for first-mover advantages is open, but narrowing. Grid access, renewable capacity, and prime data center sites are already in competition among the world's largest technology companies. Those who move with rigor — se-

curing grid interconnection, signing long-duration PPAs, and deploying capital into storage and transmission infrastructure — will participate in what may be the most significant energy investment cycle in Iberian history.

Final Investment Thesis

The Iberian data center and renewable energy ecosystem offers investors a rare combination of long-duration revenue visibility (10–20 year hyperscaler PPAs and leases), structural demand drivers (AI, electrification, EU digital sovereignty), government support (EUR 13.6bn Spanish transmission plan, IDAE storage scheme, EU Grids Package), and geographic moat (transatlantic cable connectivity, renewable energy costs). Risk-adjusted returns in Iberian renewable+storage and data center infrastructure are expected to outperform equivalent assets in Northern Europe over the 2025–2030 period, with Spain and Portugal's growth rates tracking 2–3x the EU average.

Sources and references

Apart from own research and experiences, all data, projections, and analysis in this report are drawn from the following primary and secondary sources:

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This report is prepared for informational purposes only and does not constitute financial, legal, or investment advice. All projections are forward-looking estimates based on cited third-party sources. Investors should conduct independent due diligence before making any investment decision.

Interview with José María Llopis, CEO of Edisun Power Europe



What has surprised you most in your first ten months as CEO at Edisun Power – both positively and negatively?

On the positive side, I have been particularly impressed by the strong commitment of the entire Edisun Power team and its partners as well as all other service providers working closely with Edisun Power.

The technical excellence, the speed with which our teams tackle complex challenges in project development, grid connection, finance, and asset management, and the shared understanding of resilience during this year's crisis have all exceeded my expectations.

Even in a demanding market environment, the team remains pragmatic, solution-oriented, and focused on execution. This dynamic is one of our key strengths and a decisive factor in maintaining our competitiveness.

On the more challenging side, I underestimated the sheer scale of external complexity and market volatility that we must manage simultaneously. Regulatory frameworks are evolving almost monthly across all European countries in which Edisun Power operates. At the same time, we face grid bottlenecks, supply chain uncertainties, and increasingly sophisticated financing structures.

Individually, none of these factors is new. However, their cumulative impact on our projects has been greater than I anticipated. This has reinforced how essential resilience and adaptability are for achieving sustainable growth in today's renewable energy market.

What developments and challenges in the renewable energy sector are you currently facing?

First, the increasing number of hours with negative electricity prices in nearly all the markets where Edisun operates. This trend directly affects the profitability of our assets.

Second, declining prices for long-term power purchase agreements (PPAs). When markets experience extended periods of very low or even negative spot prices, PPA prices adjust downward accordingly.

The third major challenge is congestion in high-voltage transmission grids. This issue is particularly acute on the Iberian Peninsula — especially in Spain and Portugal — where grid connection capacity is becoming increasingly scarce.

Last but not least, the large-scale power outage on April 28, 2025. This blackout had significant negative consequences, particularly in Spain. Since then, the grid operator Red Eléctrica has been operating the system more conservatively. At times, the share of renewable energy in the grid is deliberately reduced to ensure greater system stability, including through increased reliance on gas-fired power plants. In this context, solar installations are being actively curtailed.

There are currently significant political changes in Europe and the United States. To what extent do these developments affect Edisun Power?

Political and macroeconomic decisions have repeatedly demonstrated their ability to create substantial uncertainty among investors. Such uncertainty directly influences investment decisions and has affected us on several occasions.

Edisun remains fully committed to its strategic objectives: decarbonization through renewable energy, the integration of storage solutions, and enabling renewable power supply for data centers. However, current political developments have weakened policy momentum in some regions, which may impact the regulatory frameworks needed to accelerate the expansion of renewable energy.

How do you see the development of solar prices in Europe, even though this question has partly been addressed already?

The current price pressure is, to a large extent, a structural consequence of success: the steadily growing share of solar and wind energy in the power mix across nearly all European markets.

The more renewable capacity is added, the more pronounced the so-called “duck curve” effect becomes. This curve describes the typical intraday price pattern: prices rise in the morning, drop sharply around midday when solar generation peaks — sometimes to zero or even negative levels — and increase again in the evening as demand remains strong while solar output declines. As a result, solar capture prices are structurally decreasing. The market is increasingly characterized by volatility and widening intraday spreads.

How do we secure stable margins in the long term despite increasing price pressure?

Our strategy rests on two core pillars. First, the systematic integration of battery storage systems.

For new solar projects without fixed feed-in tariffs, combining generation with storage is essential. Batteries allow us to store electricity during periods of low or negative prices and sell it when prices peak in the evening. This enables us to monetize the market “spread” — the difference between low midday prices and higher evening prices. Over recent years, this spread has widened significantly, particularly in Spain and across the Iberian Peninsula, at times reaching EUR 70–80 per megawatt hour.

Second, revenue stabilization through long-term offtake agreements.

Securing an offtaker under a long-term PPA largely decouples us from short-term price volatility and negative spot prices.

At the same time, the traditional model — simply producing electricity and feeding it into the grid — is reaching its limits. The future of solar lies in multi-revenue assets.

Ancillary services will become increasingly important, especially in combination with storage. These include grid-stabilizing services such as rapid capacity adjustments — the ability to quickly ramp output up or down when the system becomes unstable. Grid operators are expected to increasingly remunerate these services, creating a second and strategically important revenue stream alongside conventional power sales.

What factors led to the decision to realize the large-scale Fuencarral project in the greater Madrid area rather than elsewhere?

Madrid combines the highest electricity demand in Spain with comparatively low local generation. As a result, it has the country's largest production-to-consumption deficit. Metropolitan-near power generation is therefore strategically critical.

With 941 MWp, Fuencarral will become the largest power plant in the province and will make a meaningful contribution to reducing this structural deficit.

Its proximity to the Madrid metropolitan area is a key advantage. Because generation will be located close to consumption, curtailment risk is significantly reduced. In contrast, other Spanish regions with high generation but limited local demand experience substantially higher curtailment levels.

Where do you currently see the biggest bottleneck in project development and execution?

The primary bottleneck remains the congestion of high-voltage transmission grids on the Iberian Peninsula, with limited grid connection capacity for both producers and consumers.

The second major challenge is permitting delays across administrative authorities — an issue affecting the entire industry.

While regulatory frameworks suggest that projects can reach ready-to-build status within approximately three years, actual development timelines currently range be-

tween six and seven years — nearly double the theoretical duration.

What qualitatively distinguishes Edison Power's projects from those of its competitors?

Our key differentiator is the strong internal integration of the entire value chain. We ensure excellence and professionalism across every stage — from project development, to EPC execution, to in-house asset management, and finally energy commercialization.

This integrated approach allows us to manage risks more effectively, maintain quality standards, and optimize project economics holistically.

What lessons from past projects shape your decisions today?

Early and structured stakeholder engagement is critical. From the outset, projects must involve municipalities, landowners, environmental and administrative authorities, as well as infrastructure operators such as railways, highways, gas pipelines, and water authorities.

Proactively addressing stakeholder interests at an early stage is essential to minimizing development timelines and reducing execution risk. Every project must be designed with these stakeholders in mind.

Which competencies will be particularly important in the future?

Battery storage expertise will be a defining competency in the solar sector. This requires strong technical capabilities in engineering and project development.

At the same time, asset management will become increasingly sophisticated. Storage assets create multiple revenue streams but monetizing them effectively requires precise commercial optimization.



Energy arbitrage — selling electricity at different times depending on price signals — demands advanced trading and operational capabilities.

Additionally, grid services such as voltage and frequency regulation are becoming strategically important. The recent large-scale blackout in Spain underscored both the importance and the limited availability of such system services.

Capacity markets and additional grid services will further expand. Developing strong technical and commercial expertise in these areas is essential to remain competitive.

Where will Edisun Power be in three to five years?

Within three to five years, Edisun will have successfully demonstrated and executed its “Renewables to AI” strategy through the Fuencarral project.

This includes the successful sale of the project, the development of both Fuencarral and associated data centers to ready-to-build status, and — in the case of the solar plant — supporting clients through EPC and commissioning.

Additional “Renewables to AI” projects in Portugal and Spain will be developed, with investor processes initiated at an early stage.

Why are you optimistic about achieving this goal?

There are three main reasons. First, the strong investor interest in Fuencarral — both for the solar plant and the data center, and especially for the integrated concept — has confirmed the strategic attractiveness of the project.

Second, the Edisun team combines strong commitment with a high degree of professionalism in executing this strategy.

Third, over the past ten months we have demonstrated our ability to adapt, innovate, and consistently drive this new strategic direction forward. Although many elements were new to us, we successfully aligned the project with our long-term objectives.

For these reasons, I am confident that we will achieve this next strategic milestone.



We need to focus on high-growth markets where decarbonization makes most sense, such as Power solutions for Data centers.

Dr. René Cotting
CFO (mandated)
Edisun Power

Results impacted by adverse weather conditions and impairments

- Sales decreased by **72.7%** to **CHF 14.06 million**, impacted by adverse weather conditions and high comparison base
- EBITDA reduced by **48.9%** to **CHF 8.47 million** and 60.2% margin
- Solar electricity production at 152 352 MWh, below prior year by **5.2%**
- **Suspended Dividend** proposed

2025 was the second transitional year for Edisun Power in focusing on the development of its large-scale solar plant “Fuencarral to AI”: Strategically, as with the purchase of new development rights (SPVs), Edisun Power drives to offer renewable electricity for the operation of data centers in the Madrid area. Financially, Edisun focused on financing measures such as the issuance of new bonds and capital increase. Marketwise, the poorer weather conditions and lower market prices impacted negatively and substantially the revenues generated. Considering the large investments related to the ‘Fuencarral to AI’ plant, the Board of Directors proposes to the Annual General Meeting to suspend dividend payments for 2025 due to the prioritization to further develop and sell the ‘Fuencarral to AI’ plant.

Sales decline

Total Group sales decreased by 72.7% to CHF 14.06 million (2024: CHF 51.54 million) and in local currencies 72.2%. The decrease reflects mainly unfavorable weather conditions, as well as a high comparison base due to the prior-year sale of the Italian portfolio of PV project rights. Looking only at the revenues from sale of the solar electricity, Edisun had to recognize a reduction of its sales by CHF 0.8 million or 5.2% (in local currency 3.9%) mainly due to the solar production decline in Spanish and Portuguese markets, lower electricity market prices and end-of-life-time decommissioning of smaller systems in Germany. Overall, the solar electricity production of 152,352 MWh was 5.2% lower than in 2024. Solar power production fell by 12,6% in Spain, 5,7% in Germany and 3,7% in Portugal and rose by 4,3% in Switzerland, 3,2% in France and 3,2% in Italy. Main reasons for the decline were the poor weather conditions mainly in Iberia, the 6-weeks outage at the Requena PV plant in Spain due to theft-related vandalism causing damage to critical infrastructure and, to a lesser extent, the closure of some small plants in Germany, Erbach (440 kWp) and Kempten Lebert (312 kWp). An even lower level of electricity production was prevented thanks to a number of renewal investments, particularly in inverters and a proactive management of the plants: For example, the electricity production improved compared to 2024 in Switzerland at the Grand Hangar plant (+45.8 MWh or 17%), in Spain at Valle Hermoso (+26.8 MWh or 12.5%) plants and in France at the Imerys plant (+53.7 MWh or 12.2%). Overall, 74% of Edisun’s energy production was generated in Portugal, 18% in Spain, and the remaining 8% in France, Germany, Switzerland and Italy combined.

EBITDA Reduction and Net Loss in 2025

The earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to CHF 8.5 compared to CHF 16.6 million in the previous period 2024.

Revenue from Guarantees of Origin (GOs) in Portugal increased significantly due to higher market prices compared with the previous year. Revenue rose from just under CHF 50 thousand in 2024 to CHF 0.55 million in the 2025 reporting period, positively impacting the result.

The plants in Switzerland produced a lower EBITDA margin of 77.5% (compared to 86.8% in 2024). France maintained a strong margin of 80.2% (compared to 80.5% in 2024), while Portugal remained stable at 74.4% (compared to 74.3% in 2024). EBITDA margins in Italy improved to 81.4% (compared to 53.8% in 2024) and in Germany to 52.1% (compared to 48.2% in 2024). The largest decline with an impact of almost CHF 0.6 million on EBITDA we had to recognize in Spain, mainly driven by adverse weather conditions and plant downtime due to external factors. The Group reported an EBITDA margin for the operational plants of 60.2%, compared to 69.2% in the previous year.

Depreciation of the solar plants amounted to CHF 5.7 million (2024: CHF 6.57 million). In addition, an impairment charge of CHF 2.1 million was recognized, primarily related to photovoltaic power plants in Germany, namely PV Hörsehgau UG & Co. KG, where future recoverability is unlikely, and PV Leipzig Alter Flughafen UG & Co. KG, reflecting lower expected future cash flows. Compared to the previous year, operating profit reached with CHF 0.7 million (2024: CHF 9.71 million) an EBIT margin of 4.9% (2024: 18.8%).

Net financing costs including the effects of exchange rate changes increased to CHF 7.24 million with interest expenses amounting to CHF 7.49 million (2024: CHF 7.07 million) as a direct impact from the increased interest-bearing borrowings to support the development activities.

Overall, net loss amounted to CHF -7.05 million (2024: profit CHF 2.85 million), which corresponds to earnings per share of CHF -6.30 (2024: CHF 2.75), mainly driven by the adverse weather conditions impacting operational performance and the higher comparison base due to the profitable sales transaction of the Italian PV portfolio in 2024.

Continued investments and new financing

Cash flow from operating activities amounted to CHF -3.43 million, significantly lower than the previous year's CHF 0.22 million (2024). This is largely due to the lower cash receipts from the sale of electricity, as well as higher interest paid. The development of the PV plants continued to progress. Sadino plant (22 MWp) is at ready-to-built status and has been classified as held for sale. The Fuencarral solar plant (941 MWp) consumed most of the development investments amounting to CHF 4.2 million (2024: CHF 9.68 million).

Edisun Power was successful in its financing activities: It issued a five-year bond with a coupon rate of 3.5% subscribed by both existing and new investors, resulting in total subscriptions of CHF 16.2 million; as well as a capital increase amounting to CHF 5 million. These funds have been used for the development of solar plants as well as for the repayment of debt, mainly related to the acquisition of the Fuencarral projects.

At CHF 346.9 million, total assets were only slightly lower than in the previous year (2024: CHF 353.7 million). The capital increase completed in 2025 had a positive impact on equity; however, this effect was offset by the net loss recognized during the reporting period, resulting in a decrease in the equity ratio to 28.3% (2024: 29.4%). Net debt (borrowings less cash and cash equivalents) decreased slightly to CHF 235.8 million (2024: CHF 238.4 million). This reflects the significant value of assets under development and a substantial decrease in property, plant and equipment from CHF 342.8 million to CHF 99.5 million, offset by the reclassification of the Fuencarral to AI project in Spain and the Sadino project in Portugal to inventories (CHF 235.2 million), as both projects are held for sale. Current liabilities increased to CHF 55.4 million (2024: CHF 12.9 million), primarily due to the reclassification of a bond maturing in 2026 to short-term liabilities.

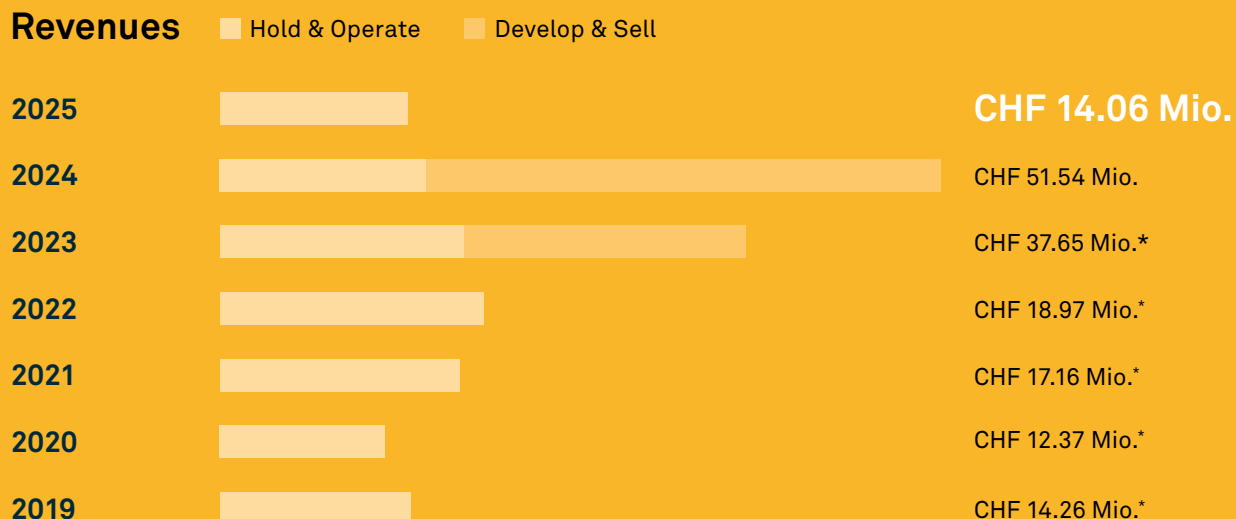
Outlook for the current year, new financing measures, upcoming sales and suspension of dividends

Operationally, the solar production in the first months of the 2026 financial year has been very challenging. Adverse weather conditions in Portugal, Spain and Italy, volatile electricity prices, curtailments of the power grid due to overproduction leading to temporary 'no production' in Portugal and Spain as well as cable thefts at two sites in Spain weighed on the results. The major focus for 2026 remains on important liquidity measures and the successful sale of the large 'Fuencarral to AI' project portfolio. The Board of Directors proposes therefore to suspend the distribution of a dividend for the year 2025.

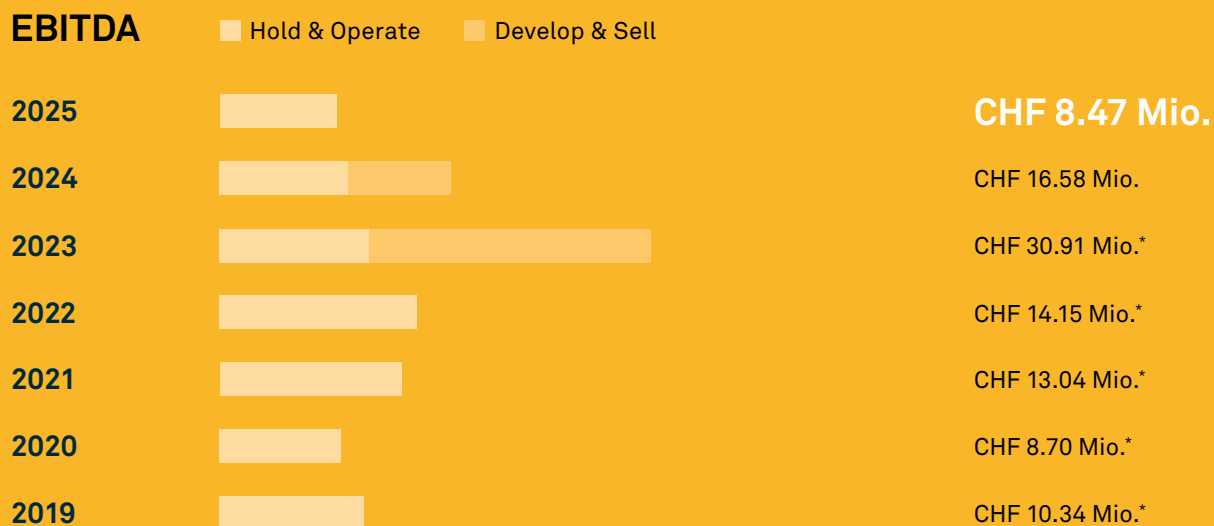


Dr. René Cotting
CFO (mandated) Edisun Power

Revenues



EBITDA



Cash flow from operating activities



* For the years 2019 to 2023 the original foreign exchange rates were used.

Three year overview

Key figures Edisun Power Europe Ltd.	2025 in TCHF	2024 in TCHF	2023 in TCHF
Income statement			
Total revenues	14,061	51,543	37,651
Revenue from sale of electricity	13,973	14,751	17,450
Revenue from sale of renewable energy projects	0	36,719	0
Other operating income	88	73	20,201
EBITDA	8,471	16,580	30,911
in % of total revenues	60.2%	32.2%	82.1%
Depreciation and amortization	-5,676	-6,571	-6,626
Impairment	-2,099	-293	-214
EBIT	696	9,716	24,071
in % of total revenues	4.9%	18.9%	63.9%
Net loss/profit	-7,052	2,851	23,353
in % of total revenues	-50.2%	5.5%	62.0%
per share in CHF	-6.30	2.75	22.55
Balance sheet			
Land, plant and equipment	99,517	342,814	288,868
Inventories	235,218	0	0
Total assets	346,884	353,668	346,118
Total equity	98,142	104,095	96,350
in % of total assets	28.3%	29.4%	27.8%
Net debt*	235,782	238,414	217,157
Cash flow			
From operating activities	-3,430	225	7,827
From investing activities	92	-9,675	-25,032
From financing activities	2,202	-6,176	8,832
Photovoltaic plants			
Number of photovoltaic plants	32	34	36
Installed capacity	104.7 MW	105.5 MW	105.7 MW
Solar power production	152,352 MWh	160,568 MWh	165,094 MWh
Number of photovoltaic plants in development	6	6	15
Capacity in development	963 MW	995.7 MW	1153.0 MW

Corporate Governance: Further information on finances and corporate governance is to be found in a separate report, available for download at www.edisunpower.com > Investors > Reporting.

* Net debt is calculated as current and non-current borrowings minus cash and cash equivalents.

The annual report is available
on the internet:
www.edisunpower.com
> Investors > Reporting > 2025

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